

# Learning about sales tactics

Students read a script about high-pressure sales tactics and discuss ways to respond.

## Learning goals

### Big idea

Recognizing high-pressure sales tactics can help you make the best spending choices for you.

### Essential questions

- What are some ways salespeople try to persuade people to buy something?
- What are some ways I can make sure I make the best spending choices for me?

### Objectives

- Recognize high-pressure sales tactics
- Understand how to respond to sales tactics

### What students will do




- Listen to and act out a script about a young man buying a new cell phone.
- Identify sales tactics and buying habits from the script.

### NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

### KEY INFORMATION

Building block:

-  Executive function
-  Financial habits and norms
-  Financial knowledge and decision-making skills

Grade level: High school (9-12)

Age range: 13-19

Topic: Spend (Buying things)

School subject: English or language arts, Fine arts and performing arts

Teaching strategy: Simulation

Bloom's Taxonomy level: Apply, Analyze

Activity duration: 45-60 minutes

### STANDARDS

Council for Economic Education

Standard II. Buying goods and services

Jump\$tart Coalition

Spending and saving - Standard 1

Financial decision-making - Standard 4

## Preparing for this activity

- While it's not necessary, completing the "Calculating loan payments" activity may make this one more meaningful.
- Print four copies of the "Willis learns to shop smarter" script in this guide for four volunteers, or prepare for students to access it electronically.

### What you'll need

#### THIS TEACHER GUIDE

- Learning about sales tactics (guide)  
[cfpb\\_building\\_block\\_activities\\_learning-about-sales-tactics\\_guide.pdf](#)

#### STUDENT MATERIALS

- "Willis learns to shop smarter" script (in this guide)

## Exploring key financial concepts

When you make a large or important purchase, it's important to be prepared. The more knowledge you have, the less likely you'll be swayed by sales tactics or persuaded to spend more money than you planned. Rebates, low monthly payments, and today-only sales are all types of sales tactics some retailers use to persuade people to buy their products. The time you invest before you make a large purchase could help you avoid those tactics and save a lot of money.

Researching what's available and comparing features, benefits, and costs can help you better understand your options. Comparison shopping – the practice of comparing prices, features, benefits, risks, and other characteristics of two or more similar products or services – may help you make more informed buying decisions and help you stay within your budget. Comparison shopping is a good practice when you buy anything, but it's especially useful when you buy something expensive.

#### TIP

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Because consumer products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

# Teaching this activity

## Whole-class introduction

- Ask students if they've ever watched someone make a large purchase.
  - Examples include a new cell phone, a car, or a new appliance like a washing machine or stove.
- Tell students that salespeople sometimes use sales tactics to persuade people to buy their products.
  - Rebates, low monthly payments, and today-only sales are all types of sales tactics some retailers use.
- Tell students that they will read or listen to a script to learn about sales tactics.
- Be sure students understand key vocabulary:

- **Comparison shopping:** The practice of comparing prices, features, benefits, risks, and other characteristics of two or more similar products or services.
- **Cost-effective:** To have good value for the amount of money you paid.
- **Fraud:** An illegal act that occurs when people try to trick you out of your personal information and your money.
- **Impulse purchase:** Buying things without having planned for them beforehand. It can cause you to spend more money than you can afford.
- **Interest rate:** A percentage of a sum borrowed that is charged by a lender or merchant for letting you use its money. A bank or credit union may also pay you an interest rate if you deposit money in certain types of accounts.
- **Principal:** In the lending context, principal is the amount of money that you originally received from the creditor and agreed to pay back on the loan with interest. In the investment context, it is the amount of money you contribute with the expectation of receiving income.
- **Rebate:** A rebate reduces the price of consumer goods. Most rebates require consumers to pay the full cost of an item at the time of purchase, then to send documentation to the manufacturer or retailer to receive a rebate by mail.
- **Scam:** A dishonest trick used to cheat somebody out of something important, like money. Scams can happen by phone, email, postal mail, text, or social media.

### TIP

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Visit CFPB's financial education glossary at [consumerfinance.gov/financial-education-glossary/](https://consumerfinance.gov/financial-education-glossary/).

- **Term:** A fixed or limited period of time for which something lasts or is intended to last (for example, a five-year loan, a three-year certificate of deposit, a one-year insurance policy, a 30-year mortgage).

## Group work

- Ask for four volunteers to read and perform the “Willis learns to shop smarter” script.
  - The role of the narrator has the most lines.
  - The roles of Sonya and Willis have about the same number of lines.
  - The role of the salesperson has the fewest lines.
- Ask the volunteers to read the script and act out the scenes.
- After the students are done reading the script, ask the class “What was one way Sonya’s brother was pressured into making a large purchase?” Possible answers include:
  - He was offered a deal that was only good for one day.
  - He was offered a rebate.
  - He was offered low monthly payments.
- Ask the class “What is one strategy he could use to make sure he got the best deal on his cell phone?” Possible answers include:
  - Make a plan before he makes a purchase.
  - Research his options before he goes shopping.
  - Focus on the total cost instead of monthly payments.
  - Be sure he understands all terms and conditions before signing a financing contract.
  - Know that it’s okay to walk away and gather more information if he’s not sure about an offer.

## Wrap-up

If time allows, ask students to share one technique they will use the next time they feel pressured by a salesperson to buy something.

## Suggested next steps

Consider searching for other CFPB activities that address the topic of spending, including buying things. Suggested activities include "Creating a buying plan" and "Exploring the influence of advertisements."

## Measuring student learning

Students' answers during discussion can give you a sense of their understanding.

**Keep in mind that students' answers may vary, as there may not be only one right answer.** The important thing is for students to have reasonable justification for their answers.

# “Willis learns to shop smarter” script

For this script, four characters are needed: a narrator, a brother, a sister, and a salesperson. At the beginning of the script, the brother, Willis, should stand next to the salesperson. The sister, Sonya, should stand apart from them, and the narrator should stand off to the side. As you read the script, the characters should walk around and have enough space to walk backward to their original spot when the “rewind” direction occurs.

**Narrator:** Hello, and welcome to the saga of Willis buying a new cell phone. Our story begins as Sonya’s cell phone buzzes, the caller ID reading “Willis.” Willis is Sonya’s little brother, who only seems to call when he’s got a problem he needs help solving. Sonya picks up the call.

**Sonya:** Baby brother, what kind of trouble are you in this time?

**Willis:** Trouble? I invented trouble. Listen, I’m at the mall and—

**Sonya:** Uh-oh ...

**Narrator:** Willis looks around and sees a treasure trove of cell phone options, all glistening and new. Sales signs are everywhere that say things like: *Free With Contract! On Sale Today Only! No Contract Required!*

**Willis:** I need a new cell phone and I need your help. You’re good at this stuff.

**Sonya:** That’s surprisingly mature of you.

**Narrator:** Willis is standing in the cell phone section of an electronics store and a salesperson is standing next to him.

**Willis:** This great salesperson here says I’m eligible for an upgrade. I can pay upfront for one of these phones or get a newer one for a smaller monthly payment. This one looks like an awesome deal, but only today and after a rebate. What do I do?!

**Narrator:** Because of Sonya’s experience, she can give Willis advice about what he should do. But will Willis follow her advice? Let’s find out as Willis talks to the salesperson.

**Willis:** For real now – cut to the chase: What’s the best deal in the store?

**Salesperson:** This is \$800, but there's a huge rebate running. So, you can get the newest model on the planet for only \$450! You should hurry and get it today. I can't promise this price will last for long.

**Narrator:** Unfortunately, six months later, Willis gets a phone bill with a warning that his service is being shut off for nonpayment.

**Willis:** Oh, no!

**Narrator:** Willis waited forever for the huge rebate that never came. Turns out he forgot to mail in the UPC code with his receipt. When he couldn't afford to pay his phone bill, they shut off his service, making that flashy new phone good for nothing but reading e-books.

**Sonya:** Brother, rebates and other offers can make big purchases feel like giveaways. Many rebates require you to mail a receipt, UPC codes, and other paperwork before processing. Even if you do everything according to the fine print, you still may be waiting a while to receive that check. Remember: A salesperson's job is to sell you as much as possible, not save you money.

**Narrator:** But luckily for Willis, we're in a world with parallel timelines. The first timeline didn't work out very well, but now we get to rewind and see what else Willis could do. Here's timeline number two.

*(All actors walk backward for a few seconds to show they are starting the scene over.)*

**Willis:** You know, sis, I got an email this morning with a limited-time offer from my cell phone company. I think I'm going to take that.

**Sonya:** I think I need to hear more about this great offer.

**Willis:** I've got this, don't worry!

**Narrator:** Unfortunately for Willis, he missed out on a better deal because he took the "limited time offer."

**Sonya:** Brother, it's a good idea to look for deals online, but remember to comparison shop and take your time before you make a choice about what you want to buy. Sellers will often say an offer is only good for a limited time to pressure you into making a quick decision. Also, be sure you know who you're dealing with, and if you don't know the business that sent it, do more research. Never give out your personal information, especially through an email you didn't ask for or expect.

**Narrator:** Timeline two wasn't great either. Let's hit rewind and try timeline number three.

*(All actors walk backward for a few seconds to show they are starting the scene over.)*

**Narrator:** Now Willis is strolling out of the store, waving to the salesperson and talking to Sonya.

**Willis:** The salesperson tried to get me to agree to a phone with low monthly payments, but in the end, it would have cost me \$537. This one was \$242 – that was a no-brainer! Good thing I'm a math whiz.

**Sonya:** Good thing you figured that out!

**Narrator:** With Sonya's help, Willis saved a bundle by focusing on total price. If he keeps doing this, he'll rise above many sales tactics and keep more of his money in his pocket.

**Sonya:** Lower monthly payments may look like they're easier on your wallet, but if it's a long-term loan, you could end up paying way more than you want because of your interest rate and total number of payments. To get a rough idea of how much interest you'll pay, you can use this simplified formula: multiply the principal, the interest rate, and the term of the loan to calculate the interest you'll pay. Then, add the interest you'll pay to the original price of the phone to find the total amount you'll pay.

**Narrator:** That choice worked well for Willis! I think the show's over.

**Sonya:** We can't stop yet. Let's rewind and check out one other timeline and one other choice Willis could have made.

*(All actors walk backward for a few seconds to show they are starting the scene over.)*

**Narrator:** Now we're in timeline number four, and Willis is leaning away from the salesperson trying to keep his phone conversation private.

**Sonya:** Take a deep breath. Go home. Do more research on these deals.

**Willis:** But...

**Sonya:** Don't but! Step away from the phones, Willis. Tell the salesperson you'll be back tomorrow.

**Narrator:** The next day, Willis strolls out of the mall, talking to Sonya on his new cell phone.



**Willis:** After researching last night and comparing deals, I went with last year's model and saved \$300 – it has all the features I want. Thanks for the assist!

**Narrator:** With Sonya's help, Willis took a day to research options and he made an informed decision. He saved cash and didn't get distracted by sales tactics trying to sell him something more expensive.

**Sonya:** Take time to go through all the information about what you spend money on. Shop around! A sale price doesn't always mean the best price. One store's sales price can seem like a bargain, but it might not be as low as the price at another store.

**Willis:** Go online and do some comparison shopping. Find the lowest price and consider checking with other sellers to see if they offer price matching. Competing businesses may match or beat each other's prices. It's a good idea to take the time to do some homework!

**Salesperson:** Retailers may put fake time limits on their sale prices or use other sales tactics to make you feel like you have to buy something right away or you'll lose out on a good deal. Try to watch out for false time limits and remember that it's always okay to walk away if you feel pressured.

**Narrator:** Some sale ads have small text with a lot of conditions for what you buy. Make sure you read it carefully. Some say, "quantities limited," "no rain checks," or "not available at all stores." Make sure you understand all the details about the sale so you know exactly how much you'll need to pay.

**ALL:** Always remember to watch out for sales tactics so you can shop smarter!

**The end.**